

SECRET

AIR

200-726

21 Jan 1955

Chief of Mission, Frankfurt
ATTN Chief, Munich Operational Base (For [])
Chief, SE
THRU Chief, SE

SHAN/Albania

The 4,000th Labor Service Company

REFERENCE: EOGA-42908

1. Following the receipt of reference the question of discharging those ring leaders hostile to HTHIGH from the 4,000th Labor Service Company was allowed to drop in the hope that the issue would gradually cease to have any importance in Albanian emigre circles. This has not been the case, and we continue to receive reports on the discord this situation creates, and representations from HTHIGH and members of all Albanian emigre political factions, except the one to which the four men in question belong. Rather than diminishing in importance, this situation has done more to damage American prestige with the Albanian emigration than any other one development during our relationship with HTHIGH.

2. Since the broadening of HTHIGH in December 1953, there has been a considerable amount of confusion and uncertainty in Albanian emigre circles on U. S. intentions toward HTHIGH. This is largely due to the fact that the case officer assigned to HTHIGH in Rome was withdrawn last June and was not replaced. The dissidents have pointed to this and to the situation in the Labor Service Company as proofs that the U. S. has lost interest in HTHIGH and intends to abandon it. We are in the process of trying to devise a system of dealing with HTHIGH in Rome that will not be so costly both in time and money as our previous arrangement but will be sufficient to relieve its fears and bolster its faith in our intentions. Until such a system can be put into effect we are very anxious to do anything we can to demonstrate our continuing interest since we still have a considerable financial stake in HTHIGH.

3. The attached memorandum (forwarded by separate pouch) was written with the intention of submitting it directly to the Department of the Army. However, we were informed that a leaked problem from a Theater

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Command would not be resolved here but would merely be passed on once more to the command concerned. Whether we address ourselves directly to the Defense Department or to WASHBURN, we feel that our main task is to put over the rather unfamiliar issue of Albanian politics and U. S. policy. The CIG Report forwarded with reference is an illustration of the unfamiliarity of the Department of the Army with things Albanian since this was an exceedingly inaccurate document which confused political parties, historical facts and personalities.

4. We, therefore, would be most grateful if the matter could be raised with WASHBURN once again before we take it to the Department of the Army. The attachment may be useful in any approach made to WASHBURN since it provides a brief and factual commentary.

Attachment

- 1 - Memo (w/2 attach. under so)

SE/l-bk

11 January 1954

Distribution:

- 2 - Munich (direct), w/3 attach. as stated above under so
- 3 - Frankfurt, w/3 attach. as stated above under so
- 1 - EE (w/3 attach.)
- 2 - SE/l (w/3 attach.)
- 1 - SE/EK (w/o attach.)
- 1 - RI (w/o attach.)

SE/l _____
SE/CFI _____
SE/OPP _____
EE/Germany _____

□ C/EE

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ADDITIONAL INFORMATION
Under Separate Cover

DISCUSSION

1. In December 1953, the National Committee for a Free Albania (NCPA), an organization of exiled Albanian political leaders organized and supported by the U. S. and British Governments, was reorganized and broadened in consultation with a plan drawn up by the interested Americans and British authorities. At this time the extreme left-wing faction of the Balli Kombetar Party (B.K.), led by Hoxha, Abas Ermeneghi, Isuf Palla and Veseli Andoni, refused to accept the broadening and withdrew from the B.K. and from the NCPA. This disaffected faction, known as the "Professor Group," has since then declared its intention to subvert the NCPA. Every attempt possible has been made to carry out this intention, including the formation of a rival Albanian exiled committee known as the National Democratic Committee for a Free Albania (NCPA). The NCPA claims (without any foundation, as far as is known) to have "Western" support and is making an effort to recruit the NCPA wherever it can in exiled activities such as the International Penmen's Union and the Assembly of Exiled European Nations.

2. The U. S. Government has in the past five years invested a considerable sum of money in the support of the NCPA. Any act, or failure to act, which undermines the prestige of the NCPA in the eyes of the Albanian exiles tends therefore to be harmful to U. S. interests.

3. Since December 1953, according to reports to consider reliable, the followers of the "Professor Group" in the 4,000th (Albanian) Labor Service Company have refused to recognize the NCPA and have carried out instructions from the "Professor" to undermine the NCPA and to create trouble in the Company. This activity has been directed by Mr. Gersh Babko, with the support of Hoxha, Hoxha Dajda, Hasan Alibabishi and Adam Rpa, although the last named is understood to have modified his attitude in recent months. The latest incident was the unprovoked assault upon Mr. Hajrman A. Jari by Mr. Kharif Dajda, allegedly with the encouragement of Gersh Babko. A copy of A. Jari's report of the incident is attached.

4. Since the 4,000th Labor Service Company was originally set up under the aegis of the NCPA, the members of the Company all owe allegiance to one or another of the exiled political groups and fellow political developments closely, even though the Company is now completely under the jurisdiction of the Department of the Army and not concerned with political matters. It has been impossible to make the members of the NCPA and their followers understand why persons scholastically working against an organization known to be sponsored and supported by the U. S. Government are permitted to remain in the Company, which is also supported by the U. S. Government. A series of petitions has been received from the NCPA requesting that action be taken to remove the offenders from the 4,000th Labor Service Company. The most recent of these petitions, addressed to the President of the NCPA for transmittal and signed by the other members of the Executive Committee of the NCPA, is attached. This petition is signed by representatives of all political factions represented in the NCPA, including two which have no followers in the Labor Service Company.

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ATTACHMENT TO RMR-725
U. S. Navy - the Cover

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5. The question of dismissal of the main offenders was taken up with the Chief of the Labor Service Division, WAREHO, Heidelberg in February 1954, at which time it was agreed that the ring leaders would be discharged following concurrence of G-2. However, in June 1954, we were informed that, following consultation with G-2 and G-3, it had been decided not to take the action requested because there was no purely security reason for the discharge and it was considered that propaganda repercussions would be unfavorable as no disciplinary, morale or efficiency reasons justified such action. The matter was allowed to drop in the hope that feeling on the question would gradually abate and that the men in question would cease their activities. Unfortunately, this has not been the case, and the situation has become one of the major issues in Albanian emigre circles and has increased the difficulties of dealing with the NEFA. It is believed that the propaganda repercussions of failure to discharge the offenders had a more deleterious effect on U. S. interests than their discharge would have had.

6. It is our conviction that the continued presence of Gauth Bashe, Rustem Rupa, Hasan Alachmeti and Adnan Tpi in the 4,000th Labor Service Company is detrimental to U. S. interests and damaging to U. S. prestige. It is, therefore, requested that if possible these four men, and in any case, Gauth Bashe, be removed from the Company with the understanding that they will not be reinstated. The NEFA has indicated its willingness to name a suitable and well-qualified replacement for Gauth Bashe if necessary.

Attachments: 2

1 - Report

1 - Petition

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Honourable Mr. Chairman,

As you know, the Company in Hohenbrunn (Munich) has been formed on the request of the Backers of the Committee with elements given by the NCFA in August 1950. The mentioned elements and the Company, at the beginning, were under the dependence of the Committee, and, only later, when the Western Powers recognised some sovereignty to the Bonn Government, the Company went under the dependence of the American Military Command. This fact can by no means touch the different connections which have existed between the Committee and the elements which form the Company. But, in the beginning, the mentioned elements recognised the Committee and obeyed its orders.

Later, after the foundation of the reorganized NCFA, a small part of the elements of the Company, especially some officers refused to recognise the Committee, and lately, according to official reports which we received, are fighting continuously the Committee and openly supporting the self-called Committee presided by Abaz Ermenji.

Naturally, these officers are maintaining an inimical attitude towards the Committee based on the directions they receive from fraction of the Party they depend from, and, in this case, part of the ABK which is out of the Committee.

From the different facts which the Committee has gathered, it is clear that the mentioned officers are the principal factors of the troubles, divisions and discontent of the elements of the Company, discontent which is put in evidence by the repeated letters which insistently request the withdrawal from their functions of these officers adversary to the Committee. Moreover, Major Caush Basha putting to profit the position he occupies and with the sole aim of fighting against the elements who recognise and support the Committee, as well as to reinforce the situation of his comrades who have not taken oath, has put in most of the key positions, elements of his current, thus practicing a disintegrating activity in the ranks of the elements faithful to the Committee, as well as against the very aims of the Company.

The Executive bearing in mind the above mentioned reasons which are certainly also yours Mr. Chairman, has decided that you should interfere where necessary so that:

1. Be discharged from their functions: MM. Caush Basha, Rustem Kuqka, Adnan Ypi. The Committee being ready to replace them with capable and faithful elements, and
2. Along the subordinated line, in case that the above mentioned measure be considered by the Backers as impossible to realise for the time being, that at least be absolutely dismissed Major Caush Basha, and replaced by an officer designated by the reorganised NCFA, and
3. The Executive wishes that the vacant places in the Company be filled with faithful and able elements who are at the disposal of the Committee.

The Executive is convinced that his desire will be taken in consideration by the Backers, as this desire is headed with the prestige of the Committee, the assurance of the well going and harmony of the Company, and with the aims of the common cause.

A. K. U. P. I.
Abaz K U P I
 Vice Chairman of the
 N.C.F.A.-

BAJRAKTARI Muharem *for Mr. Bajraktari's vote*

DAMANI Selim

GERMENJI Vasil

GJOMARKAJ Ndue

GOGH Georges

KOCI Atlant *for Mr. Koci's vote*

KLISSURA Ali

KRYEZIU Said

MUKA Koço

PAPALILO Theodhor

PESHKEPIJA Nexhat

VERLAÇI Ismail

Fairly

George

Ndudjivarkaj

George Eagle

Ali K. K. K.

The Secretary

Shedra Papakilo

Nexhat Peshkepiz